



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

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April 15, 1986

Mr. Paul Carter
Minerals Specialist
United States Department of the Interior
Bureau of Land Management
Cedar City District Office
P.O. Box 729
Cedar City, Utah 84720

FILE COPY

Dear Mr. Carter:

RE: Request for State Permitting Recommendation's, Stout
Construction Company's Heap Leach Cyanide Operation,
DOE/021/005, Iron County, Utah.

First let me express our apologies for the unforeseen delay in responding and following up on our joint onsite visit to the mining operation referenced above.

At the conclusion of our onsite meeting on March 7, 1986, you and Mr. Ross requested a list of Division recommendations as a result of our field inspection to the heap leaching operation. The following is a listing of our concerns and suggestions for handling the problems associated with this mine site:

1. The operator must file with the Bureau of Land Management (BLM) and Division of Oil, Gas and Mining (DOGM) an operation and reclamation plan to cover the present mining operations and any future expansion.
2. All suspended operations should remain in a temporary state of cessation until the mining and reclamation plans are submitted and found acceptable by the BLM and DOGM.
3. An interim reclamation surety must be filed with the BLM and DOGM to be revised later to reflect actual calculated reclamation costs for all ground disturbances. The surety should be determined upon a

per acre basis. The interim suggested bonding amount should be at least \$30,000 based on the present amount of surface disturbance. Upon receipt of the detailed mining and reclamation plan for this minesite, the bond would be adjusted accordingly.

4. The operator has not conducted his operations in a safe and prudent manner as evidenced by the state of affairs upon our site visit. Consequently, the operator is likely in violation of various state and federal laws and regulations governing this type of mining operation. Immediate steps should be taken to mitigate the environmental impacts that have occurred to date as follows:

- (a) Clean up and consolidate all trash and associated debris. Dispose of the same in an appropriate manner in concert with county, state and federal regulations.

- (b) Isolate all hazardous or toxic chemicals. Secure and control unauthorized access to the same.

- (c) All contaminated soil and/or plant growth medium should be excavated and disposed of in an approved waste disposal site.

- (d) All uncontrolled surface drainage from the leachate pads draining down gradient through the tanks and into the ephemeral channel, should cease and be contained and recycled within a closed circuit system.

- (e) Appropriately sized containment berms should be constructed around all fuel storage tanks to contain any accidental spills which might occur.

- (f) All disturbed area drainage not currently directed through the leaching system should be routed through appropriate erosion and sediment control structures or alternative treatment facilities.

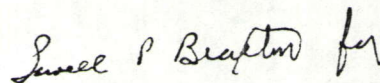
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Mr. Paul Carter
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Minimum Reclamation requirements should include:

1. The removal of all structures, equipment and debris.
2. Reclamation of all highwalls by backfilling against them or cutting the wall back to achieve a slope of 45° or less (Variances may be approved for highwalls in solid rock).
3. Regrading of waste and spoil piles to assure mass stability and minimization of erosion.
4. Reclamation or stabilization of on-site roads and pads.
5. Isolation or removal of all toxic materials.
6. Minimize all potential hazards to public safety and welfare.
7. Revegetation of the affected area, where possible. The lack of sufficient stockpiled topsoil coupled with the toxic nature of the operation will probably necessitate the use of topsoil substitute materials, additional fill and/or soil amendments to achieve satisfactory revegetation success.

I hope that this information will be of value to you in making your ultimate decisions on this mine site. Again our apologies for the delay in responding. Should questions remain, please call me or Dave Wham of the technical staff at your convenience.

Sincerely



D. Wayne Hedberg
Permit Supervisor/
Reclamation Hydrologist

Enclosure

DWH/crh
cc: Lowell Braxton
David Wham
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